



# 2015 ANNUAL REPORT

## MONTGOMERY COUNTY, VA ECONOMIC DEVELOPMENT



Blacksburg & Christiansburg  
MONTGOMERY COUNTY, VIRGINIA

# CONTENTS

- 2 | INTRODUCTION
- 3 | 2015 BY THE NUMBERS
- 4 | COMMUNITY ACCOLADES
- 5 | 2009-2015 PROJECT SUMMARY
- 6 | BUSINESS RETENTION & EXPANSION
- 8 | BUSINESS ATTRACTION & MARKETING
- 10 | COMMUNICATIONS & OUTREACH
- 12 | REAL ESTATE & INFRASTRUCTURE
- 14 | TOURISM
- 15 | BOARDS & COMMISSIONS



The TORC Robotics building in the Blacksburg Industrial Park. Photo Credit: TORC Robotics

## DEPARTMENT STAFF

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## INTRODUCTION

*To the Honorable Chair, Members of the Board of Supervisors and the Citizens of Montgomery County:*

The Montgomery County, VA, Department of Economic Development (MCDED) prepared this annual report to showcase the organization's activities and accomplishments during 2015. The report is also intended to be an economic development marketing tool for Montgomery County, and features the achievements of local companies, entrepreneurs and other key allies.

The Department of Economic Development is dedicated to improving the quality of life throughout Montgomery County – including the incorporated towns of Blacksburg and Christiansburg – by encouraging positive economic growth that:

- **CREATES** meaningful career opportunities
- **EXPANDS** the commercial tax base to support the delivery of vital public services, and
- **PROTECTS** our enviable quality of life

Our department accomplishes its mission through strategies that support the startup, retention and expansion of companies already in Montgomery County as well as the attraction of new targeted industries to the community.

## 2015 BY THE NUMBERS

**10 PROJECTS...** The Department actively supported nine company expansion projects where investment and jobs were added, and existing jobs were retrained through the Virginia Job Investment Program. The Department also supported one company locating in Montgomery County.

**\$9.5 MILLION...** Investment made or announced by projects supported by the Department exceeds \$9.5 million.

**170 NEW JOBS...** Companies assisted by the Department will create 170 new jobs, and retrain 110 existing jobs through the Virginia Jobs Investment Program.

**52 BRE VISITS...** The Department visited 32 local companies through its Business Retention & Expansion Program (BRE). Twenty of the companies required follow up support services, bringing the total BRE visits to 52 for the year.

**15 PROSPECT VISITS...** The Department generated 38 new prospect leads, responded to 37 requests for information, and participated in 15 prospect visits by new businesses.

**131,000 SF...** The Economic Development Authority leased 131,000 square-feet of space to three companies. The three new leases were negotiated in 2014 by the Department and all three companies took occupancy in 2015. The three new leases are worth \$8.3 million in total revenues.

**20,707 WEBSITE VISITS...** YesMontgomeryVA.org was visited 20,707 times from 130 countries around the world and from all of the states. The Department sent out 7 news releases, via email marketing and social media, that were viewed 5,575 times.

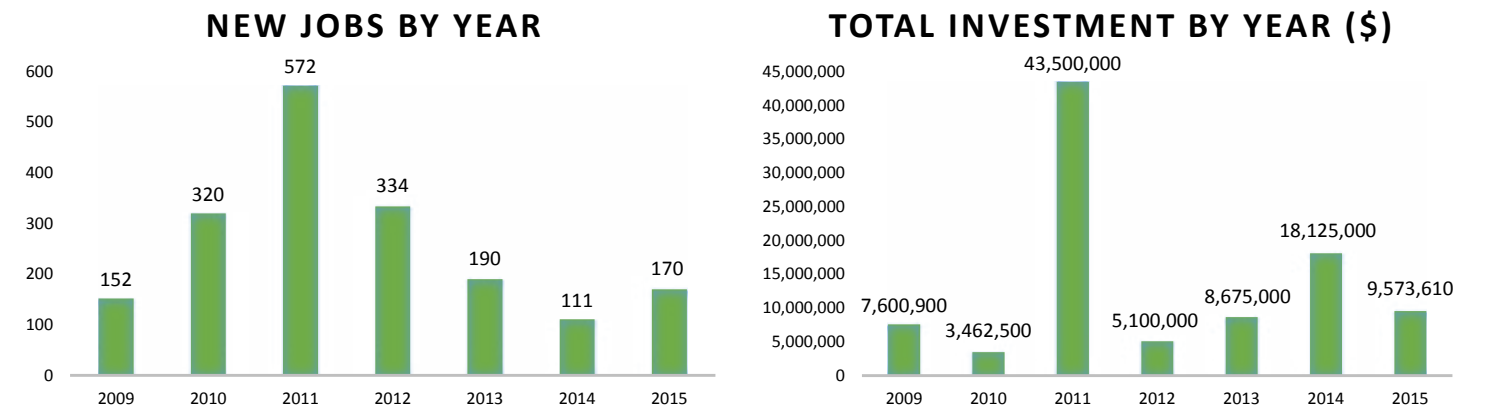


The September Food Truck Rodeo, hosted by Downtown Christiansburg Inc., was attended by over 4,000 people and featured live music, family friendly activities, 14 food vendors, and 10 breweries/wineries.

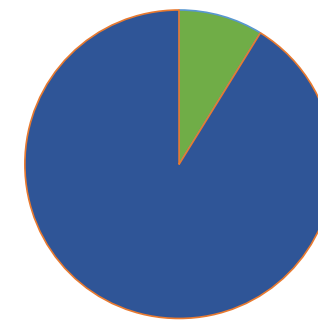
Photo Credit: Downtown Christiansburg, Inc.

# 2009-2015 PROJECT SUMMARY

Since 2009, the Department has made 34 total announcements from new and existing businesses. From these announcements, there have been 1,708 total new jobs, with over \$96 million in total investment.

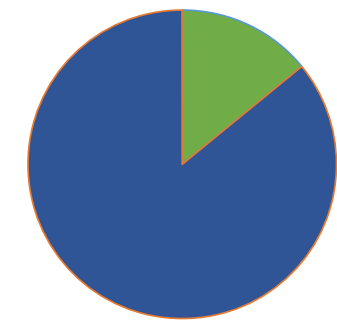


Announcements Since 2009 (34)



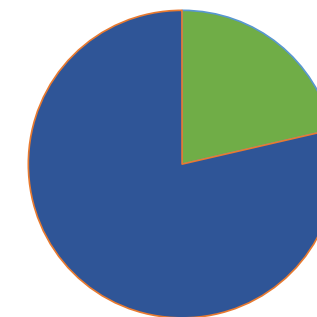
■ New - 9% ■ Expansions - 91%

Jobs Added Since 2009 (1,708)



■ New Jobs - 14% ■ Expansion Jobs - 86%

Investment (\$) Since 2009 (\$96,537,010)



■ New Investment - 21% ■ Expansion Investment - 79%

## COMMUNITY ACCOLADES

### #1 LEADING LOCATION MID-SIZED METRO IN VIRGINIA, *Area Development Magazine*

Among all mid-sized metropolitan areas in Virginia, **Blacksburg- Christiansburg-Radford MSA** ranked No. 1 in the Commonwealth.

### #1 BEST PLACE TO RETIRE, *OnlyInYourState.com*

**Blacksburg** was ranked No. 1 Best Place to Retire in the nation. This high ranking is due to the town being home to Virginia Tech, having a low cost of living, affordable housing and low crime rates.

### #3 DIGITAL COUNTY, *Consumer Electronics Association*

**Montgomery County** ranked No. 3 nationally, and No. 1 in Virginia for Digital Counties with populations under 150,000. Following this trend, **Virginia** was ranked one of the Top 10 states for encouraging innovation.

### #4 LEAST EXPENSIVE ZIP CODE FOR CAR INSURANCE, *CarInsurance.com*

**Christiansburg** ZIP code 24073 ranked as the No. 4 overall Least Expensive Zip Code for Car Insurance. The study examined over 33,000 U.S. ZIP codes by calculating rates from six major carriers, including Allstate, Farmers, GEICO, Nationwide, Progressive and State Farm.

### #7 BEST STATE FOR BUSINESS, *Forbes*

**Virginia** ranked as the No. 7 overall Best State for Business. The Commonwealth also ranked No. 1 for its regulatory environment, No. 2 for its labor supply and No. 5 for its quality of life nationally.

### TOP 10 PERCENT OF WORLD'S BEST UNIVERSITIES, *Quacquarelli Symonds*

**Virginia Tech** ranked in the Top 10 percent among 3,500 of the World's Best Universities.



Autonomous vehicle technology demonstrations were held at Torc Robotics' ribbon cutting in July of 2015.

## BUSINESS RETENTION & EXPANSION

### BUSINESS RETENTION & EXPANSION PROGRAM

The Economic Development Department uses its Business Retention and Expansion (BRE) program as a way of maintaining good relationships and communication with companies in Montgomery County. Department staff arrange face-to-face BRE visits with local businesses to identify and help solve any problems or barriers that may be undermining their overall success and growth in our community.

In 2015, the Department visited 32 companies, 20 of which required follow up information or services, bringing the total BRE visits to 52. Nine companies supported through the program announced or completed expansion or relocation projects that will result in **\$9.573 million** in total new private investment and **170 new jobs**, as well as retraining **110 jobs** through the Virginia Jobs Investment Program.

### HUBBLE LIGHTING INVESTS OVER \$6 MILLION, CREATES 100 JOBS

In May, Hubble Lighting announced plans to invest \$6.015 million to expand and consolidate its manufacturing and assembly operations at its facility in the Town of Christiansburg. This project will create 100 new jobs at the facility. This manufacturing operation has thrived in the New River Valley since 1963 with its production and assembly of high-value LED products.

"We celebrate Hubble Lighting's great investment and 100 new jobs in Montgomery County," said Maurice Jones, Virginia Secretary of Commerce and Trade. "This capability provides further strategic significance to the location for future growth. The long-term success of Virginia's existing businesses is evidence of what can be accomplished in the Commonwealth."

The Economic Development Department worked with the Virginia Economic Development Partnership, the Town of Christiansburg and the New River Valley Economic Development Alliance to secure this project. The company will receive assistance and benefits from many different sources for this expansion.

### UPDATE: TORC ROBOTICS HOLDS RIBBON CUTTING IN JULY OF 2015

On July 16, TORC Robotics - a leader in autonomous vehicle solutions - held its grand opening and ribbon cutting ceremony for its expansion into a new \$2.5 million facility in Blacksburg. Through a lease agreement with TORC, the Economic Development Authority of Montgomery County (EDA) constructed a \$2.5 million, 20,270-square-foot facility in Phase V of the Blacksburg Industrial Park. TORC will lease the building from the EDA with the option to purchase the property.



The ceremony included remarks by Michael Fleming, CEO of TORC Robotics; Dr. Timothy Sands, President of Virginia Tech; and Mary Rae Carter, Special Advisor for Rural Partnerships for the Commonwealth of Virginia. The event also featured demonstrations of the company's autonomous vehicle technologies.

"Since its founding in 2005, TORC has grown to become a major leader in unmanned systems, vehicle automation and robotics. The company spun out of an idea CEO and Co-founder Michael Fleming had while working in the Virginia Tech robotics department," remarked Mary Rae Carter. "This is a true commitment on TORC's behalf, and their continued goal to increase the employment base and capital investment is truly a significant accomplishment for the town of Blacksburg, Montgomery County and the Commonwealth."

### UPDATE: PSI HOLDS RIBBON CUTTING IN APRIL OF 2015

On April 7, Polymer Solutions Inc. - an independent testing lab and strategic resource for polymer testing, materials analysis and metals testing - held its ribbon cutting ceremony at the Falling Branch Corporate Park in Christiansburg, to celebrate its recent expansion and new state-of-the-art facility.



The ceremony included remarks by Caitlyn Scaggs and Jim Rancourt of PSI. Representatives from the Town of Christiansburg and Montgomery County Board of Supervisors were in attendance.

"Polymer Solutions serves a global client base with our talented scientists and extensive laboratory instrumentation," said Jim Rancourt, Founder and CEO of Polymer Solutions. "With the construction of a state-of-the-art laboratory facility we will be well positioned to add staff, continue to expand our testing capabilities, and ultimately better meet the needs of our clients."



Montgomery County's booth at the 2015 South by Southwest Trade Show.

## TECHNOLOGY MANUFACTURING BUILDING HOME TO 2 COUNTY BUSINESSES

In 2001, the Economic Development Authority (EDA) constructed the Technology Manufacturing Building in the Blacksburg Industrial Park to attract new industry or assist existing industry expand in the community. The EDA constructed the building to allow a modern, flexible facility for manufacturing, laboratory, and research and development. The building is located on 15 acres, is 109,000 square feet expandable to 190,000 square feet, and has 24 foot clear ceiling heights. The building's modern design and flexible facility assisted in the location of InMotion US and Luna Innovations to the building.



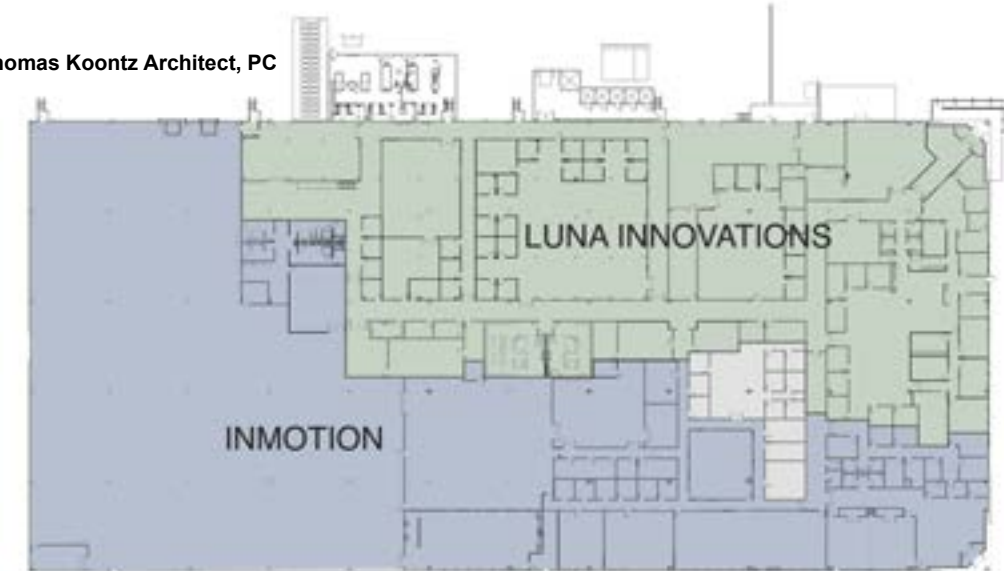
Technology Manufacturing Building

The Department worked with the New River Valley Economic Development Alliance and the Virginia Economic Development Partnership to secure both projects in this building. InMotion leases approximately 60,000 square feet of office and manufacturing space, while Luna leases 41,900 square feet through a lease agreement with the EDA. Luna is currently under a 10 year lease contract with the EDA, while InMotion is under a 7 year lease contract. Both contracts began in early 2015.

Luna is a developer and manufacturer of new generation technologies and products. In 2014, Luna decided to expand its operations in a newly renovated suite in the Technology Manufacturing Building. Luna focuses on taking innovative technologies from applied research to product development, as well as the commercial market, and driving breakthroughs in fields such as aerospace, automotive, telecommunications, healthcare, energy and defense. "We have been a tenant since 2007 and have been very pleased to be a part of Blacksburg's business community," said Luna President and CEO My Chung. "The facility continues to fill our needs, and we believe that this expansion will enable us to capitalize on the growth potential of our business."

InMotion is an Italian maker of parts for electric motors and builds parts for electric and hybrid vehicles, lift trucks, personal mobility devices, elevators, buses and refrigeration systems. It decided to open its first U.S. manufacturing facility in the Technology Manufacturing Building in Blacksburg after acquiring a local division of a Radford company in 2014. "Montgomery County has an outstanding combination of local talent and cost-effective facilities as well as improved access to Virginia Tech and its world-class electric vehicle research," stated Mike Jellen, General Manager of InMotion US.

Photo Credit: Thomas Koontz Architect, PC



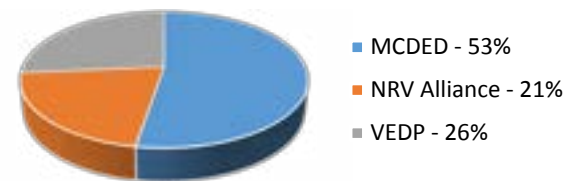
Technology Manufacturing Building plan showing areas leased by Luna and InMotion.

# BUSINESS ATTRACTION & MARKETING

## PROSPECT ACTIVITY

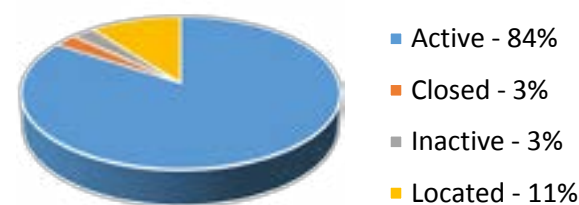
In 2015, the Department and its allies generated 38 prospect leads. Thirty-seven of the leads required follow-up information (sites and buildings, community data, etc.) and 15 resulted in community visits by the prospects. At year end, 32 others were still actively considering projects in Montgomery County, and 4 had been successfully located.

### Source of Leads, 2015



**Acronym definitions:**  
 MCDED: Montgomery County Economic Development Department  
 NRV Alliance: New River Valley Economic Development Alliance  
 VEDP: Virginia Economic Development Partnership

### Year-End Prospect Status, 2015



**Department's prospect tracking system definitions:**  
 Located: Project located in Montgomery County.  
 Active: Project is under active consideration.  
 Inactive: No project activity in 3 months or more.  
 Closed: Project located elsewhere or no activity in over a year.

### Prospect by Industry, 2015 (38)



- Food/Bev Processing - 11%
- Retail Trade - 11%
- Warehouse/Distribution - 21%
- Advanced Materials - 5%
- Undisclosed - 5%
- IT/Software Dev. - 8%
- Manufacturing - 18%
- Other - 13%
- Defense & Security - 3%
- Research & Development - 5%



Photo Credit: Roanoke-Blacksburg Technology Council

## DEPARTMENT RECEIVES AWARD OF MERIT FOR 2014 ANNUAL REPORT

In May, the Southern Economic Development Council (SEDC) presented an Award of Merit in the small division to the Department for its 2014 Economic Development Annual Report. This award was judged based on graphic appeal, clarity of message, quality of information, positioning/differentiation, and format.

“The Montgomery County Economic Development Department hit the mark this year with its marketing campaign. Its campaign not only showed creativity, but also solid messaging and effectiveness at reaching its target audience,” said SEDC President Gene Stinson.

These awards are given every year at the SEDC’s Annual Conference. The 2015 conference was held July 26-28, in Savannah, Georgia.

## SPONSORED EVENTS

The Department sponsored several events in 2015 for business outreach and to support the initiatives of its many partners and allies.

### Events Sponsored:

- Montgomery County Chamber of Commerce Golf Tournament and Annual Banquet
- Roanoke-Blacksburg Technology Council TechNite Awards Banquet
- VT KnowledgeWorks Global Partnership Week
- VEDP: Global Trade & Products, China- Success or Failure for your Business

# COMMUNICATIONS & OUTREACH

## COUNTY PRESENTS RISING STAR AWARD AT RBTC TECHNITE

In May, the Roanoke-Blacksburg Technology Council (RBTC) hosted the 2015 TechNite Awards Banquet at Hotel Roanoke. Seven-hundred area leaders in business and innovation gathered together to celebrate the growing technology community in the New River and Roanoke Valleys. The evening was highlighted with an awards ceremony.

Montgomery County was well represented with a total of 38 nominations within the six award categories, including Educator (3), Entrepreneur (11), Innovator (8), People’s Choice, Regional Leadership (12), and Rising Star (4). The RBTC also included awards for the Technology Hall of Fame and the RUBY Award this year. Five of the eight awards presented during the ceremony went to nominees from the County, including the RUBY Award and the Technology Hall of Fame award.

The Economic Development Department sponsored the 2015 TechNite Awards Banquet to express Montgomery County’s appreciation for the economic impact the regional technology sector has on our community. The Department also sponsored the Rising Star award.

“I would like to congratulate all of the award winners and nominees at this year’s RBTC TechNite event,” commented Craig Meadows, Montgomery County Administrator. “Montgomery County has a number of high-caliber, technology-driven companies, entrepreneurs, and educators such as the ones nominated this year, and we are blessed to have their innovative spirit and drive to boost our local economy.”

### Award Winners from Montgomery County

#### RUBY Award

Doug Juanarena, Rackspace

#### People’s Choice Award

Card Isle

#### Stem Educator

Michael Collver (Blacksburg High School) and Darrell Roberts (Christiansburg High School)

#### Innovator

Rafael Davlos, Virginia Tech

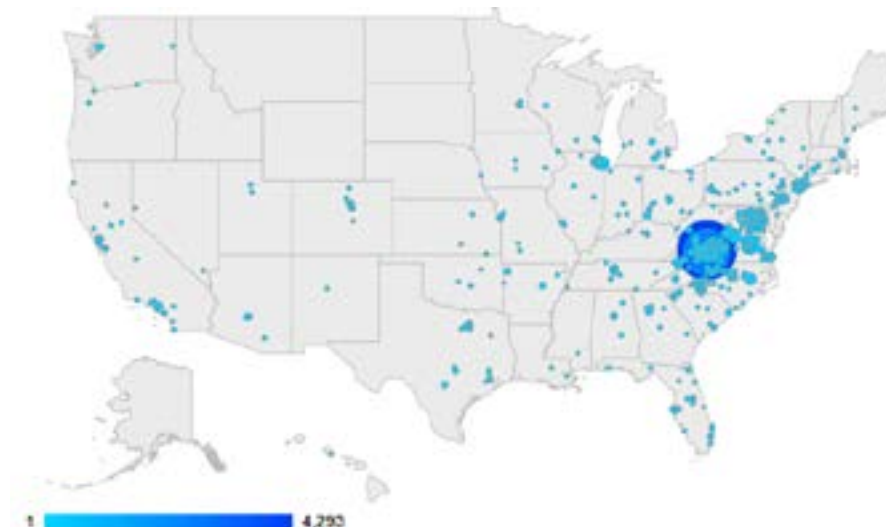
#### Technology Hall of Fame

Dr. Mary Miller, IDD, Inc.

## YESMONTGOMERYVA.ORG TOPS 20,000 VISITS

YesMontgomeryVA.org is the official website of the Economic Development Department and showcases the quality of life and business climate in Montgomery County. In 2015, the website had over 20,707 visitors from 130 countries and all U.S. states. The Department sent out 7 news releases, via email marketing and social media, that generated 5,575 page views. The news releases marketed community accolades and business announcements.

### YesMontgomeryVA.org visitors from U.S.



### Top International Visitors

1	Brazil	676
2	India	242
3	Italy	156
4	Canada	96
5	Estonia	82

### Top Metro Areas by Visits

1	Blacksburg, VA	4,293
2	Washington, DC	687
3	Roanoke, VA	626
4	Richmond, VA	418
5	New York, NY	221
6	Chicago, IL	221
7	Charlottesville, VA	183
8	Charlotte, NC	151
9	Nashville, TN	104
10	Los Angeles, CA	68



Kohl's set to open on February 28th at the New River Valley Mall in Christiansburg.

Photo Credit: The Roanoke Times

## NEW RESIDENTIAL DEVELOPMENTS OPEN OR BREAK GROUND IN BLACKSBURG

Several large residential developments recently broke ground or finished construction. Here are a few:

- **The Retreat at Blacksburg** - A development that includes 203 high-end cottage-style housing units, 829 bedrooms, with on-site amenities such as a club room, exercise facility, swimming pool and volleyball court. Phase I broke ground in 2015 and is expected to be completed in 2016.
- **The Edge (Blacksburg)** - A \$45 million, 911 bedroom student housing development near Virginia Tech. Phase I of the development was completed in late 2014. Phase II was completed in 2015 and is also now open.

Photo Credit: retreatatblacksburg.com



Photo Credit: vtcampusedge.com

## \$67.9 MILLION OF ROAD PROJECTS UNDERWAY

In 2015, \$67.9 million of road projects were either allocated or under construction. Two major projects under construction in 2015 included:

- **Elliston/Ironto Connector (Eastern Montgomery)** - Construction of this \$21.2 million project began in spring 2014. Two miles of Route 603 (North Fork Road) in Montgomery County will be reconstructed to improve safety and traffic flow. The project will provide a better connection between Route 11/460 (Elliston) and Interstate 81 at exit 128 (Ironto). The road is closed to traffic from April 2015 to March 2016. Work on this project is anticipated to be completed in summer 2016.
- **Southgate Connector (Blacksburg)** - In 2014, VDOT allocated \$46.7 million to replace the signalized intersection at Route 460 and Southgate Drive at the entrance to Virginia Tech with a diverging diamond interchange. This new interchange will eliminate one of the last two at-grade intersections on the Blacksburg Bypass section of U.S. Route 460. In Spring 2015, this project officially broke ground and began construction. The Southgate Connector is expected to be finished in December 2019.



Photo Credit: VDOT



## REAL ESTATE & INFRASTRUCTURE

### NEW COMMERCIAL REAL ESTATE PROJECTS BRING BIG NAMES TO THE COUNTY

Three major commercial real estate projects broke ground or were completed in 2015, including:

- **Kohl's (Christiansburg)** - A lease was signed with the New River Valley Mall for 50,000 square feet of retail space. The company offers national and exclusive brands for women's, men's and children's clothing and housewares, including luggage and bedding.
- **Zoes Kitchen (Blacksburg)** - A restaurant development at First and Main Shopping Center. Zoes is a counter-service chain that offers mediterranean soups, salads, sandwiches & kebabs. The restaurant is set to open in early 2016.
- **Panda Express (Christiansburg)** - A Chinese fast-food chain restaurant development near the New River Valley Mall. Panda Express began development in 2015 and will open in early 2016.



Photo Credit: Panda Express Twitter



Photo Credit: First & Main

Zoes Kitchen at First and Main in Blacksburg



Patrons and vendors alike came out for the 2015 Blacksburg Fork and Cork event, which is held each spring to showcase local and regional wineries, artists and restaurants.

Photo Credit: Blacksburg Fork and Cork Facebook

## HOSPITALITY AND TOURISM

### TOURISM SPENDING TOPS \$136.3 MILLION

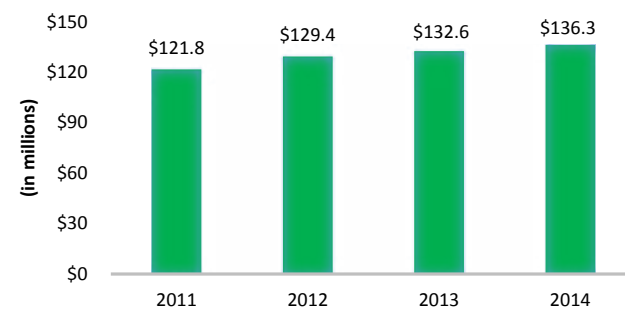
In September 2015, the Virginia Tourism Corporation released its 2014 report on the Economic Impact of Domestic Travel on Virginia and Localities. The report, prepared by the U.S. Travel Association, examined tourism spending in Virginia by U.S. visitors traveling 50 miles or more away from home.

According to the report, tourism spending in Montgomery County reached \$136.3 million in 2014 - a 2.8 percent increase over 2013. Visitor spending was estimated to have generated \$8.1 million in local tax revenue in combined state and local taxes for Montgomery County and the towns of Blacksburg and Christiansburg. The report also found that the local tourism industry supported 1,330 jobs and had an annual payroll of \$25.4 million.

Building upon recent successes, the Montgomery County/Blacksburg/Christiansburg Regional Tourism Office is working on initiatives to create more year-round visitation. It launched the new tourism brand aimed at promoting the community as a travel destination to attract a variety of visitors.

"Raising the community's profile, in terms of quality of life for employees of existing and potential businesses, is an increasing value that a destination marketing organization (DMO) can provide to the overall economic development effort," said Lisa Bleakley, Executive Director of the Montgomery County Regional Tourism Office. "Visitors bring new spending to our area and produce tax revenue that helps to pay for municipal services, without any additional burden on these services. While here, the enjoyment of area assets and environments often prompts a thought or decision to expand existing businesses or locate new business to the area."

#### TOURISM SPENDING, MONTGOMERY COUNTY



## BOARDS AND COMMISSIONS

The Economic Development Department provides administrative support to the following entities:

### ECONOMIC DEVELOPMENT AUTHORITY OF MONTGOMERY COUNTY, VA

The Economic Development Authority was created in 1970 by the Montgomery County Board of Supervisors. The EDA has the authority to issue industrial development bonds as well as acquire, lease and/or sell real and personal property. The EDA meets the third Tuesday of every month. The Department provides staff support to the EDA.

#### EDA DIRECTORS

Eric Johnsen – Chair  
Tommy Loflin – Vice Chair  
John Phillips  
James Taylor III  
Ray Tuck  
John Tuttle  
Doug Winstead

#### STAFF SUPPORT

Brian T. Hamilton – Secretary/Treasurer  
Brenda Rigney – Assistant Secretary/Treasurer  
Marty McMahon – Legal Counsel  
Craig Meadows – County Administrator  
Angie Hill – Finance Director

### MBC DEVELOPMENT CORPORATION

The MBC Development Corporation is a 501(c) 3 organization created in 1985 to enhance and broaden the employment base in Montgomery County by providing small business with low interest loans not available from conventional sources. Since its creation, the MBC has provided 32 small business loans totaling over \$1.4 million.

#### COMMISSION MEMBERS:

Mary Biggs  
Terry Brizendine  
Michael Cooke  
John Cusimano - Vice President  
Brad Denardo

Mark Hamric - Treasurer  
Cecile Newcomb  
Henry Showalter  
Fritz Streff  
Tom Via - President

### MONTGOMERY REGIONAL ECONOMIC DEVELOPMENT COUNCIL

The Montgomery Regional Economic Development Commission (EDC) was created in 1982 by a resolution of the Montgomery County Board of Supervisors. The EDC acts in an advisory capacity on economic development matters for the County. It meets the fourth Thursday of every month. The Department provides staff support to the EDC.

#### EDC DIRECTORS

Patrick Bixler  
John Bush  
Joe Carpenter – Vice Chair  
Ann Carter  
Angie Covey  
Matthew Gabriele  
Eric Johnsen

Joe Meredith  
Michael Miller – Chair  
John Overton  
Shaun Rai

#### STAFF SUPPORT

Brian T. Hamilton – Department Director  
Brenda Rigney – Secretary

#### STAFF SUPPORT:

Brenda Rigney – Secretary  
Marty McMahon – Legal Counsel





## **MONTGOMERY COUNTY, VIRGINIA ECONOMIC DEVELOPMENT DEPARTMENT**

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Facebook & Twitter: [@YesMontgomeryVA](https://www.facebook.com/YesMontgomeryVA)

YouTube: [YesMontgomeryVA](https://www.youtube.com/YesMontgomeryVA)

Linkedin: [Montgomery County VA Economic Development](https://www.linkedin.com/company/Montgomery-County-VA-Economic-Development)